

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Number: WIAB06-51

Date: February 28, 2007

Expiration Date: 6/30/2007

69:110:me:10710

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES—
JANUARY 19, 2007

The minutes from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday, January 19, 2007, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact Terrietta Robinson at (916) 654-8035 or Jim Scholl at (916) 657-4610.

/S/ BOB HERMSMEIER
Chief
Workforce Services Division

Attachments

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL

Friday, January 19, 2007

Agenda

10 a.m.	Welcome/Agenda Building/Hot Topics	Bob Hermsmeier, Workforce Services Division (WSD)
	<ul style="list-style-type: none"> • Workforce Services Branch Reorganization • Update on "Freeze" Activities • Office of the Inspector General Survey Status 	Dave Rexius, WSD
	Information/Discussion	
	<ul style="list-style-type: none"> • Governor's Budget • WRIS Update • Status of Job Training Automation Feasibility Study Report • Update on Workforce Investment Streamline Program Record (WISPR) • Senate Bill 293 • New Department of Labor (DOL) Proposed Rule for WIA • Performance Negotiations with the Locals Update • Request Establishment of a Formal Trade Adjustment Assistance Workgroup • DOL Review 	Bill Burke, Workforce Services Branch, Field Operations Liz Clingman, WSD Liz Clingman Liz Clingman Ray York, California Workforce Investment Board (CWIB) Michael Evashenk, WSD Liz Clingman Liz Clingman Bob Hermsmeier
	CWIB Updates	
	<ul style="list-style-type: none"> • Update on Projected Dislocated Worker Allocations 	Ray York, CWIB

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL MINUTES

Friday, January 19, 2007

Welcome/Agenda Building/Hot Topics—Bob Hermsmeier, Workforce Services Division (WSD)

- **Workforce Services Branch Reorganization**—Appointments to the Chief of Labor Market Information Division (LMID), the Northern California Field Division, and the Deputy Chief Program and Technical Assistance Section will be announced in the near future. Subsequently, on January 22, 2007, the following appointments were announced:
 1. Steve Saxton has been appointed Chief of the LMID.
 2. Diane Ferrari has been appointed Chief of the Northern Division.
 3. Jose Luis Marquez has been appointed Deputy Chief of the Workforce Services Division Program and Technical Assistance Section.
- **Update on “Freeze” Activities**—The Governor’s press release originally designated 10 counties and identified assistance centers to provide services. The 10 counties are Fresno, Kern, Kings, Madera, Merced, Monterey, San Luis Obispo, Santa Barbara, Tulare, and Ventura. The Governor’s Office directed the affected workers to use the existing One-Stop Service Centers for assistance. La Cooperativa and other non-profit organizations are providing services to the more remote areas of the counties. The Employment Development Department (EDD) is currently gathering assessment and damage reports on a regular basis. Information is being sent to Bill Burke or Jose Luis Marquez.

An Advisory Member asked if Unemployment Insurance representatives were going to be providing assistance in the centers. Bill Burke indicated EDD was trying to address the need but staffing, space, and equipment which were not readily available in all centers.

Bob Hermsmeier indicated that EDD was looking at the available funds within the State’s Workforce Investment Act (WIA) 25 percent account and the possibility of applying for the Secretary of Labor’s discretionary funding to help the local employers and workers.

Current information regarding emergency and disaster assistance is available at [EDD Emergency and Disaster Assistance](#) or [Office of Emergency Services](#) Web pages.

- **Office of the Inspector General (OIG) Survey Status**—Dave Rexus, WSD. Dave reported he had received completed surveys from 48 out of 50 Local Workforce Investment Areas (LWIA). He is working with the two remaining LWIAs to obtain their data. Once the OIG has all of the information, they are going to be sending the information to the Employment and Training Administration's Assistant Secretary.
- **Governor's Budget**—Bill Burke, Workforce Services Branch. Bill stated that, for many years, in order to augment federal funding for the work completed by the Job Service (JS) Program, the Branch has utilized dollars from EDD's Contingent Fund which is a fund comprised of tax penalties and the related interest that have been collected by the State.

The Fiscal Year 2007-08 Governor's Budget contains a proposed reduction of \$27.1 million to the Contingent Fund for the JS Program. This equates to approximately a 25 percent decrease in overall JS Program funding. As such, the funding reduction would require a staffing reduction in the field by over 200 positions with proportionate reductions to Central Office staff and management.

Although the Governor's Budget represents the first step in the annual budget process, EDD must be prepared to deliver programs and services within the final funding levels. This issue will most likely be discussed in detail at the State budget hearings this spring. Any questions over this issue should be directed to either Bill Burke or Bob Hermsmeier.

- **Wage Record Interchange System (WRIS)**—Liz Clingman, WSD. Liz indicated that since inception of the WRIS, administration and governance of the system has been completed by the National Association of State Workforce Agencies (NASWA). On July 25, 2006, NASWA notified the states that the Department of Labor (DOL) was taking over direct administration of the WRIS. On September 30, 2006, NASWA terminated its involvement in the WRIS as a party to the Consolidated WRIS Data Sharing Agreement. On October 27, 2006, the State of California withdrew from participation in the WRIS because without a valid data sharing agreement, EDD does not have the legal authority to share the confidential information within the WRIS.

In November 2006, the DOL issued a new WRIS Data Sharing Agreement for ratification by the states. California is currently reviewing the agreement. Currently 30 states including California have not signed the agreement. The lack of WRIS access should not negatively impact California until we process final performance for Program Year 2006-07 in August, 2007. However, we are moving forward to accept the agreement at the earliest possible date.

- **Job Training Automation/CalJOBSSM—Feasibility Study Report (FSR)**—Liz Clingman, WSD. Liz stated that a draft of the referenced FSR is expected to be in EDD internal review the week of January 22, 2007. Although EDD is moving forward to receive approval of the FSR by the Department of Finance, it does not anticipate much movement on the project during this program year because of a lack of funding. For those interested in the system's business requirements, please refer to WIA Information Bulletin [WIAB06-3](#) entitled "*Release of RFI on Off-The-Shelf One-Stop Career Center Systems.*"

- **Workforce Investment Streamlined Program Record (WISPR)**—Liz Clingman, WSD. Liz stressed that the reporting changes, implemented through the new DOL, Employment and Training Administration WISPR, are effective July 1, 2007. These changes will encompass reporting for the Trade Adjustment Act, the Wagner-Peyser, and WIA programs. WSD staff are currently analyzing the changes and completing an implementation work plan. The internal work plan will be completed by February 15, 2007. We will notify the LWIAs of expected changes no later than the end of February. At a high-level, the WISPR implements:
 1. Some new participant data elements. The most significant changes are in how services are reported and concurrent enrollments.
 2. There is a new employer services record.
 3. There are new aggregate reporting formats for implementation at the State level.

The employer services record will be the biggest challenge for the locals. We will use the data in existing EDD systems when possible. We will however need detailed information on all of your employers to satisfy these requirements.

Senate Bill (SB) 293—Ray York, California Workforce Investment Board (CWIB). Ray indicated that there is a planning meeting scheduled January 26, 2007, to look at identifying the appropriate process to roll out SB 293. A directive will be forthcoming to identify areas that need to be addressed relative to CWIB composition, local planning guidance, and State guidance. Since the issues have been identified, the CWIB would like to ask for assistance from the LWIAs to participate in the workgroup. The California Workforce Association (CWA) will be asking the local areas for representatives for this workgroup.

DOL Proposed Rule—Michael Evashenk, WSD. Michael reported that the DOL has proposed several rule changes for the WIA and Wagner Peyser programs. The State intends to submit comments not just from an EDD prospective, but also from the LWIAs and CWIB prospective. EDD is also interested in the proposed changes to the Wagner Peyser program. A specific item of interest includes the usage of non-State merit staff in providing Wagner Peyser core services in the One-Stops. In the proposed rules, DOL is also asking for comments on the definition of administrative costs or how administrative versus program costs are captured and reported. DOL is asking for input in anticipation of WIA Reauthorization. The concern by DOL is that not enough of the overhead or administrative costs are being reported. Michael asked all comments be forwarded to him so they could be included in the State's response.

Performance Negotiations—Liz Clingman, WSD. Liz reported that the directive should be available by the end of February. Regardless of the release date for the directive to initiate local performance negotiations, a LWIA may submit performance proposals to the WSD at any time during the program year. As in previous years, proposals should be addressed to:

Mr. Bob Hermsmeier, Chief
 Workforce Services Division, MIC 69
 PO Box 826880
 Sacramento, CA 94280-0001

It was noted LWIAs should not conclude the State is taking the perspective that performance must continue to increase each year. Instead, if a local area has achieved a high level of performance, last year's goals may very well be perfectly acceptable.

Trade Adjustment Assistance (TAA) Program—Liz Clingman, WSD. In an effort to improve TAA program outcomes, Liz agreed to form a TAA workgroup to discuss how to improve coordination of services to these clients through the associated data collection. The CWA will coordinate the process for nominations for this group. WSD will research and contact other states, including New York, to obtain their service delivery models.

DOL Review—Bob Hermsmeier, WSD. Bob indicated that on December 21, 2006, DOL Region 6 filed their preliminary report on their review of the State and Local employment and training programs. EDD's response is due on February 3, 2007. EDD has requested those LWIAs involved to respond back to the State by February 2, 2007. There were 32 compliance findings and 18 observations. The DOL reviewed WIA, Wagner Peyser, Disability Program Navigator, Migrant Seasonal Farm Worker, Trade Act, and National Emergency Grant activities. The report was compartmentalized into design and governance, program management, financial, and service delivery with findings and observations in all areas. Although the report included some positive feedback regarding accomplishments of the State and the LWIAs, the finding themes included the lack of proper documentation, lack of protocols to procure items, idle space concerns, and discussion around TAA coordination. There was also a finding regarding State and local plans. Subsequent to the conference call, the due date was for receipt of local input extended to February 16, 2007.

Update on Projected Dislocated Worker Allocations—Ray York, CWIB. Ray informed members that the report for the updated process is at Labor and Workforce Development Agency with all received public comments added verbatim. When implemented, the new formula will be effective on July 1, 2007. There was some discussion among the Advisory Committee members in terms of advocating to our Congressional delegation to change some of the factors in the formula for federal allotments to states.

Steve Saxton indicated that it was EDD's intent to distribute the LWIA shares as soon as LMID produces the data. It was also noted that EDD would distribute the LWIA shares even though we have not received the federal allotment. This will allow LWIAs to compare their anticipated share of funding to their share in the prior year.